

**State of Nebraska**  
**Department of Labor**  
**CAP Monthly Progress Report**  
For Period ending August 2011  
  
Submitted September 15, 2011

**Audit Finding No. 24-09-553-03-001 Finding Number 3 (08-23-03) - Allowability and Cash Management (Pages 109-110)**

NDOL submitted the separate draw procedures for the UI draw and Administrative draw in June and July respectively. In July, NDOL FSD ensured staff understood the process of setting up business units. This training included following set procedures to make sure all items were followed.

As reported last month we are in the process of having Grant Authorization checks in the system for most of the business units.

NDOL FSD has spent the last several months setting up grants in E-1. Under advisement from DAS State Accounting, NDOL FSD started the process to ensure funds maintain a relationship which would be supportable to PMS. Previously, funds were not utilized for specific fund tracking but rather used for tracking state specific budget program or specific management needs. Although there is more work to do in this area until new grants are set up, it is not possible to set up the funds separately. However, more importantly we have set up the authorized amounts in E-1. Attached is an example of the progress made on the UI grants.

[Example of UI Grants](#)

**Audit Finding No. 24-09-553-03-001 Finding Number 5 (08-23-05) - Reporting Pages (Pages 113-114)**

The Controller and the UI Lead Accountant met with IT to develop the parameters for the report which breaks out the amount of ARRA. This was based on conversations NDOL had with US Regional office employees. NDOL FSD has stressed the importance of having the data underlying the actual numbers so it can go through a financial review. All E-1 data was verified with questions to DAS and Region V personnel. See the attached titled FYE 6.30.11 CFDA ARRA report and FYE 6.30.11 CFDA Non- ARRA report.

Presently, NDOL has received the specifications for the report on the benefits piece. However, NDOL Finance was unable to validate the data for both EUC08 as well as FAC due to some heightened priorities for IT resources. See the attached sample titled ARRA EUC Benefit Data Query.

[FYE 6.30.11 CFDA ARRA](#)  
[FYE 6.30.11 CFDA Non-ARRA](#)  
[ARRA Benefit Data Query](#)

**Audit Finding No. 24-09-553-03-001 Finding Number 6 (08-23-06) - Reporting/WIA (Pages 114-116)**

NDOL FSD has not been successful in having our independent area reconcile the draw request back to their reports. NDOL FSD had sent out a reconciliation after a conference call with an independent area financial person.

The local area is considering ways to capture the accruals in some manner. The resolution was NDOL FSD did process the draws although NDOL FSD did not process them on the invoice amount, but rather based on the amounts which were used for the 9130's reporting purposes. NDOL did send out the template to the local area in question to provide a reconciliation method to the entities general ledger.

Effective with the start of the past fiscal year, NDOL would no longer pay without sufficient backup to the invoice from Lincoln. What NDOL required was simply a general ledger which would track the proper grant streams and fiscal program periods. NDOL received the general ledger for the months of July, Aug., Sept., Oct., Nov. and paid off of those invoices. When the December payment request was sent there was a memo from Leann Fry adding some amount from July to the Dec. invoice. It became apparent that the general ledger was not given directly to NDOL finance. At this point NDOL could not pay any invoices due to lack of documentation, which was the audit finding in 07-08, 08-09, and 09-10. Various back up documentation was sent back and forth. There were additional attempts to resolve this over the phone. In June, NDOL met with the City of Lincoln in an effort to resolve this. There were two types of documentation NDOL received. One was the invoices requesting payment and the other was the reports used for Federal reporting submitted to NDOL by Dan Cain. Although NDOL made an effort to reconcile one month, April 2011, the process was time consuming and did not work out perfectly. Nevertheless, NDOL made an effort to pay the invoices based on the coding of the invoices. Out of the multiple batches only one was allowed to pay by E-1 due to the coding. All budget authorization amounts had been loaded in the system and therefore in order to have a payment process, it must have available funds. When NDOL posted the items based upon the designation on the invoice, all months were rejected due to some kind of budget issue.

At this point the batches were voided, since this was at the end of NDOL fiscal year. In August, all batches were recoded based upon Dan Cain's reports and those were used and matched to budgets. These reports did not necessarily tie to the invoice. The invoices were for the period of December till May. By paying off the reports instead of the invoices NDOL had backup for the draw. In late August NDOL received the June invoice. NDOL has not reviewed this yet.

#### **Audit Finding No. 24-09-553-03-001 Finding Number 7 (08-23-07) - Period of Availability/WIA (Pages 116-117)**

In June NDOL submitted the procedures for business unit set up, in July NDOL substantiated the business unit set up by walking through one live example. Attached is a representation of the business units set up for NDOL over the past two years titled Current List of Business Units as of 9-14-11.

NDOL has hired a Budget Officer and budgets have been sent out to the respective cost centers. Please see the attachments titled Example of Budget Documents Sent On 9-14-11 and Example of Budget Template.

The NDOL Budget Officer has also met with the Greater Nebraska cost center managers and went through their budget documents in August.

[Example of Budget Documents Sent On 9-14-11](#)  
[Example of Budget Template](#)  
[Current List of Business Units as of 9-14-11](#)

#### **Audit Finding No. 24-09-553-03-001 Finding Number 8 (08-23-08) - Earmarking (Pages 117-119)**

Business Units are set up to clearly capture all earmarking requirements. Each individual business unit is set up to track all required earmarking, whether it is at the state level or at the plan level. However, until we can prove the independent areas expenses appropriately and record it at the level of detail required, we are unable to prove out earmarking.

**Audit Finding No. 24-09-553-03-001 Finding Number 10 (08-23-10) - Subrecipient Monitoring/WIA (Pages 120-121)**

NDOL has produced a preliminary template. In the past the letters were overwritten which led to an inconsistent language. NDOL will visit with the Region 5 team to obtain guidance on additional necessary information.

Attached is the NOA Issuances Template Cover Letter.

[NOA Issuances Template Cover Letter](#)

**Audit Finding No. 24-09-553-03-001 Finding Number 11 (08-23-11) - Allowability/WIA (Pages 121-122)**

A staff training and development session will be conducted with staff on 9/15/11, to review OET Policy 06-2009, and appropriate methods of documenting the attempts to recover WIA resources. The training originally set for 8/23/11 had to be rescheduled due to scheduling conflicts.

**Audit Finding No. 24-10-554-03-010 Finding Number 3 (09-23-03) - Allowable Costs/Cost Principles (WIA/UI/ES) (Pages 120-123)**

NDOL FSD met with DAS Accounting as well as E-1 SME on allocations and the possibility of a more automated approach to each costs centers spread of location costs. The Controller also met with Director of Workforce Services and discussed the issues involved in the more manual journal entry process. The Director of Workforce Services agreed the direct costs could be allocated on a more streamline and automatic basis such as hours. Hours were chosen because it is consistent with the way the NDOL allocates the agency wide costs. This allocation methodology works with current data and therefore changes are accurately reflected. For indirect costs the allocation method will be based upon the Director of Workforce Services methodology, such as clients served.

NDOL has begun work on the direct portion and has the first draft of the allocation template, which is in review. Attached is RUC replacement methodology.

[RUC Template](#)

**Audit Finding No. 24-10-554-03-010 Finding Number 5 (09-23-05) - Reporting (WIA) (Pages 125-128)**

Although NDOL had preliminary discussions with DAS, NDOL is still investigating options on the cash draw part of using the correct business units on the purchasing system.

**Audit Finding No. x-x-x Finding Number 4 (10-23-04) - Allowability and Eligibility (Pages 136-138)**

The OET Policy, on Pell Grants documenting and accounting for, and the Training Budget Worksheet have been finalized and implemented. Staff training was conducted on 8/30/11.

No further action will be taken on this finding.

[GN Call Summary, 8.30.2011](#)

[OET Policy 07-2011, Direct Client Accrued Expenses, Planned Obligations](#)

### **Additional Requirement Number 2: Cash Management**

NDOL's E-1 consultant has written the query to clean up the business units and object codes which were set up en masse in previous years. NDOL is investigating the most efficient utilization of system and resources to complete this task.

### **Additional Requirement Number 3: Accounting Staff Vacancies**

NDOL has spent the month of August staffing temporary positions. Regarding the UI Accountant II position, NDOL has completed first interviews. First interviews have also been completed for the Assistant Controller position.

### **Additional Requirement Number 4: Correction 9130 Reports for October 30, 2010 and December 31, 2010**

All information requested from Region 5 and National Office has been submitted. NDOL is awaiting the opportunity to refile the 9130's from September.

### **Additional Requirement Number 8: Overspent WIA Youth Funds in Greater Nebraska**

The Local Area continues to work with NDOL Finance to identify expenses that contributed to the youth funds deficit. With the conclusion of co-enrollment of eligible youth into the Adult program, the local area is identifying expenses that were incurred after 4/1/11, in order to pay these expenses out of PY11 Youth funds. The Greater Nebraska WIB Executive Committee continues to participate on monthly conference calls with the NDOL Finance Office to receive updates and progress reports on the status of GN WIA financials.

### **Additional Requirement Number 9: NEworks**

Federal Reporting was completed for ARRA including ETA 9147 WP Employment and Reemployment Services, ETA 9148 WIA Adult, DW and NEG, and ETA 9149 WIA Youth and submitted 8/15/20. Copies of the reports are attached.

The ETA 9002 A, B, C, D, E and Vets 200 A, B, C reports were completed and submitted 8/22/2011.

Additionally, the Wagner Peyser Data Element Validation was completed and submitted 8/22/2011. Copies of the reports are attached. There were no discrepancies found during validation.

ETA 9090 reporting was completed and submitted 8/15/2011. Copies of the statewide and regional reports are attached.

Local WIA performance numbers were distributed 08/18/2011 to the three local areas and 'hit lists' detailing participants included in performance were also distributed to the three local areas on 08/26/2011 for review. Copies of the hit lists are attached.

The WIASRD was submitted 08/30/2011; documentation of submission is attached. Preparations for ETA 9091 and Data Element Validation have begun and will be completed by the deadline of 10/03/2011.

The TAPR was successfully submitted on 8/11/2011.

The State has provided online training sessions specific to the navigation and use of NEworks for all staff since May. Four sessions a month focus on utilizing specific functions in NEworks for job seekers, employers and case management. The topics covered were determined by questions/requests from staff and general knowledge topics. The training is scheduled to continue through October. An agenda is attached detailing the topics and activities.

No further action will be taken on this finding. The State will continue to monitor system errors and staff training needs on a routine basis.

[ARRA Wagner Peyser Reports](#)

[ARRA WIA Reports](#)

[NEworks Training Schedule, 7.28.2011](#)

[Wagner Peyser & Vets Reports](#)

[WIA Regional Performance 9090](#)

[WIA Statewide 9090](#)

[WIASRD Report Submission](#)

[Greater Lincoln, Quarter 4 Hit Lists, PY2010](#)

[Greater Nebraska, Quarter 4 Hit Lists, PY2010](#)

[Greater Omaha, Quarter 4 Hit Lists, PY2010](#)

[State and Local Area Performance, PY2010, 4th Quarter Rolling 4](#)

## **Additional Requirement Number 10: OJT NEG Grant**

During this report period, NDOL has provided the following technical assistance support to the local area:

The state participates via phone conference call with the Greater Nebraska OJT-NEG field staff and management. These phone calls identify issues, concerns, and progress associated with the implementation of the OJT-NEG Grant. These conference calls occurred on 1, 8, 15, 22, and 29 of August.

On August 31, 2011, NDOL hosted a meeting via conference call with the local area grant managers from all three areas to discuss the current progress on obtaining the goals set. Issues and best practices concerning the implementation of the OJT-NEG grant were discussed. The state also posed the question of recapturing funds from local areas; this decision will be made in September.

Semi-monthly progress reports for each local area and the state are provided to Ms. Rochelle Bradley, ETA Region V. The August 31 report is attached.

Nine additional individuals have been enrolled during the month of August.

[Local Area Goals, 8.31.2011](#)

[State OJT-NEG Semi Monthly Report, 8.31.2011](#)

